

109th CONGRESS
1st Session
S. 291

To require the withholding of United States contributions to the United Nations until the President certifies that the United Nations is cooperating in the investigation of the United Nations Oil-for-Food Program.

IN THE SENATE OF THE UNITED STATES

February 3, 2005

Mr. ENSIGN (for himself, Mr. CHAMBLISS, Mr. CORNYN, Mr. KYL, Mr. SANTORUM, Mr. ALLARD, Mr. GRAHAM, Mr. SMITH, and Mr. CRAPO) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To require the withholding of United States contributions to the United Nations until the President certifies that the United Nations is cooperating in the investigation of the United Nations Oil-for-Food Program.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'United Nations Oil-for-Food Accountability Act of 2005'.

SEC. 2. FINDINGS.

Congress makes the following findings:

- (1) There have been allegations of substantial fraud and corruption in the administration and management of the oil-for-food program.
- (2) The United Nations received 2.2 percent of the proceeds of the sale of the oil exported from Iraq under the oil-for-food program, approximately \$1,400,000,000, to fund the programs administrative and operational costs.
- (3) The Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs of the Senate estimates that during the period from 1991 through 2002, the former Iraqi regime

received \$21,300,000,000 in illegal revenues from the oil-for-food program, including \$13,600,000,000 received from oil smuggled out of Iraq, \$4,400,000,000 received from kickbacks on humanitarian goods, and \$644,000,000 received from surcharges on oil purchases and investment of illicit revenues.

(4) Any illicit activity by United Nations officials, personnel, agents, or contractors, including entities that have entered into contracts under the oil-for-food program, is unacceptable and must be thoroughly investigated.

(5) Documents in the files of the former Iraqi Oil Ministry indicate that Benon Sevan, the Executive Director of the oil-for-food program, and other senior United Nations officials may be connected to a kickback scheme in which some 270 prominent foreign officials, business people, and political entities received the right to trade in Iraqi oil at below market prices.

(6) On January 18, 2005, Samir A. Vincent, who was acting as an unregistered Iraqi agent, became the first person convicted in the oil-for-food scandal.

(7) On April 21, 2004, the United Nations Security Council adopted Resolution 1538 that established a high-level inquiry into allegations regarding the administration of the oil-for-food program. The inquiry is led by Mr. Paul Volcker and the investigators carrying out the inquiry do not have subpoena powers.

(8) The ability and credibility of the United Nations Security Council to act in matters of war and peace is threatened due to the alleged influence of permanent member states' politically connected individuals, companies, and institutions who received Iraqi oil contracts.

(9) The ability of the United Nations to convey legitimacy to the new Government of Iraq and assist in postwar Iraq is hampered by the allegations of United Nations corruption and mismanagement of the oil-for-food program.

SEC. 3. OIL-FOR-FOOD PROGRAM DEFINED.

In this Act, the term 'oil-for-food program' means the program to permit the sale of petroleum products exported from Iraq and to use the revenue generated from such sale for humanitarian assistance established and administered pursuant to United Nations Security Council Resolution 986 (April 14, 1995) and subsequent United Nations resolutions.

SEC. 4. PAYMENT OF CERTAIN CONTRIBUTIONS CONTINGENT UPON UNITED NATIONS COOPERATION.

(a) Withholding of Portion of Assessed Contributions- Until the President submits the certification under subsection (b), amounts shall be withheld from amounts appropriated for contributions to international organizations as follows:

(1) FISCAL YEAR 2006 ASSESSED CONTRIBUTIONS FOR UNITED NATIONS REGULAR BUDGET- Of the funds appropriated for contributions to international organizations in an Act making appropriations for fiscal year 2006, 10 percent of the amount available for United States assessed contributions to the regular budget of the United Nations for such fiscal year.

(2) FISCAL YEAR 2007 ASSESSED CONTRIBUTIONS FOR UNITED NATIONS REGULAR BUDGET- Of the funds appropriated for contributions to international organizations in an Act making appropriations for fiscal year 2007, 20 percent of the amount available for United States assessed contributions to the regular budget of the United Nations for such fiscal year.

(b) Certification- The certification referred to in subsection (a) is a certification made by the President to Congress that--

(1) the United Nations has in effect procedures that provide the Government Accountability Office access to all documents relating to the oil-for-food program so that the Comptroller General of the United States may perform nationally mandated reviews of United Nations operations;

(2) the United Nations Secretary General has formally confirmed that the United Nations will not assert the inviolability of United Nations papers and internal records that concern the oil-for-food program or a sanction imposed on Iraq related to the oil-for-food program;

(3) the United Nations has authorized the release, upon request, to the law enforcement authorities of any member state of the United Nations authentic copies of any document, including any document in the custody of a person that was engaged on a contract basis to provide goods or services to the United Nations, that in the judgment of the requesting authority directly or indirectly concerns the oil-for-food program or a sanction imposed on Iraq related to the oil-for-food program;

(4) the United Nations has waived any immunity enjoyed by any United Nations official from the judicial process in the United States for any civil or criminal acts or omissions under United States Federal or State law in connection with the oil-for-food program; and

(5) any United Nations official who received improper financial benefits from the oil-for-food program has reimbursed the Government of Iraq for the full amount, including interest on such amount, that such official improperly received.

END